
Walker Chandiook & Co LLP

11th Floor, Tower II,
One International Center,
S B Marg, Prabhadevi (W),
Mumbai - 400013
Maharashtra, India
T +91 22 6626 2699
F +91 22 6626 2601

Independent Auditor's Review Report on Consolidated Unaudited Quarterly Financial Results and Year to Date Results of the Company pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

To the Board of Directors of Asian Energy Services Limited (formerly, Asian Oilfield Services Limited)

1. We have reviewed the accompanying statement of consolidated unaudited financial results ('the Statement') of **Asian Energy Services Limited** (formerly, Asian Oilfield Services Limited) ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group') and its joint ventures (refer Annexure 1 for the list of subsidiaries and joint ventures included in the Statement) for the quarter and nine months period ended **31 December 2022**, being submitted by the Holding Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) ('Listing Regulations').
2. This Statement, which is the responsibility of the Holding Company's management and approved by the Holding Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, Interim Financial Reporting ('Ind AS 34'), prescribed under section 133 of the Companies Act, 2013 ('the Act'), and other accounting principles generally accepted in India and is in compliance with the presentation and disclosure requirements of Regulation 33 of the Listing Regulations. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity, issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the Standards on Auditing specified under section 143(10) of the Act, and consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the SEBI Circular CIR/CFD/CMD1/44/2019 dated 29 March 2019 issued by the SEBI under Regulation 33 (8) of the Listing Regulation, to the extent applicable.



**Asian Energy Services Limited (formerly, Asian Oilfield Services Limited)
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4. With respect to the matters stated in Note 6(a), Note 6(b), Note 6(c) and Note 6(d) to the accompanying Statement, the following qualifications have been included in review report dated 06 February 2023 on the interim financial statements for the nine months period ended 31 December 2022 of Asian Oilfield & Energy Services DMCC ('ADMCC'), a subsidiary of the Holding Company, issued by an independent firm registered in Dubai, United Arab Emirates and reproduced by us, as under:

- a) "The Company's only customer M/s Amni International Petroleum Development OML 52 Company Limited had issued a notice of suspension of the contract (suspension notice) on 16 November 2020. Against the said suspension notice, the Company had issued notice of termination vide notice no. 2021-AOS-AMN-P002-0017 dated 3 August 2021 (termination notice) to terminate the contract with immediate effect. Subsequently, the Company had issued notice of suspension of termination till 31 August 2021 vide notice no. 2021-AOS-AMN-P002-0018 dated 7 August 2021 to amicably solve the matter. Such suspension of termination, after multiple extensions had been extended only till 31 May 2022. Therefore, the suspension of termination period had expired on 31 May 2022. The Company has issued final notice for termination of contract vide notice no, 2022-AOS-AMN-P002-0003 dated 8 June 2022 to the customer and in turn, the customer has issued acknowledgment letter to accept the termination of contract vide notice no. GMD-A52-AOS-0622-LET-20001 dated 10 June 2022 with immediate effect. Accounts receivable USD 5,467,774/- remains unconfirmed as on reporting date. However management has represented that same are recoverable & reserve for impairment of accounts receivable of USD 500,000/- is sufficient to cover for the doubtful debts, if any."

Our audit report dated 27 May 2022 on the consolidated financial results for the year ended 31 March 2022 and our review reports dated 08 November 2022 and 14 February 2022 for the quarter and six months period ended 30 September 2022 and for the quarter and nine months period ended 31 December 2021, respectively, were also qualified in respect of this matter.

- b) "The Company has issued, notice of termination of contract, to its sub-contractors who, as represented to us, were working on the project, which was terminated with the Company's customer. The management of the Company represents that, the sub-contractors have acknowledged acceptance for termination without any additional charge, penalty, penal interest etc. We have not been able to independently verify the Company's management representation and balances with some of such sub-contractors, amounting to USD 3,681,815/- remain unconfirmed."

Our audit report dated 27 May 2022 on the consolidated financial results for the year ended 31 March 2022 and our review reports dated 08 November 2022 and 14 February 2022 for the quarter and six months period ended 30 September 2022 and for the quarter and nine months period ended 31 December 2021, respectively, were also qualified in respect of this matter.

- c) "Property, plant & equipment lying in Nigeria, of carrying value USD 852,327/- are stated at cost has not been physically verified and has not been tested for impairment."

Our audit report dated 27 May 2022 on the consolidated financial results for the year ended 31 March 2022 and our review report dated 08 November 2022 for the quarter and six months period ended 30 September 2022, were also qualified in respect of this matter.

- d) "Advances to suppliers amounting to USD 272,853/- are subject to impairment & remains unconfirmed."

Our audit report dated 27 May 2022 on the consolidated financial results for the year ended 31 March 2022 and our review report dated 08 November 2022 for the quarter and six months period ended 30 September 2022, were also qualified in respect of this matter.



**Asian Energy Services Limited (formerly, Asian Oilfield Services Limited)
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5. Based on our review conducted and procedures performed as stated in paragraph 3 above and upon consideration of the review reports of the other auditors referred to in paragraph 6 below, except for the possible effects of the matters described in paragraph 4 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in Ind AS 34, prescribed under section 133 of the Act, and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in accordance with the requirements of Regulation 33 of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.
6. We did not review the interim financial information/ interim financial results of four (4) subsidiaries included in the Statement whose interim financial information/ interim financial results (before eliminating inter-company transactions) reflects total revenues of INR 18.75 lakhs and INR 67.18 lakhs, total net loss after tax of INR 392.18 lakhs and INR 3,583.09 lakhs and total comprehensive loss of INR 392.18 lakhs and INR 3,583.09 lakhs for the quarter and nine months period ended 31 December 2022, respectively, as considered in the Statement. The Statement also includes the Group's share of net profit after tax of INR 32.37 lakhs and INR 63.22 lakhs and total comprehensive income of INR 32.37 lakhs and INR 63.22 lakhs, for the quarter and nine months period ended 31 December 2022, respectively, as considered in the Statement, in respect of one (1) joint venture, whose interim financial information has not been reviewed by us. These interim financial information/ interim financial results have been reviewed by the other auditors whose review reports have been furnished to us by the management, and our conclusion in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and a joint venture is based solely on the review reports of such other auditors and the procedures performed by us as stated in paragraph 3 above.

Further, of these subsidiaries, two (2) subsidiaries are located outside India, whose interim financial information/ interim financial results have been prepared in accordance with the accounting principles generally accepted in their respective countries and which have been reviewed by the other auditors under the standard on review engagement applicable in their respective countries. The Holding Company's management has converted the interim financial information/ interim financial results of such subsidiaries from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have reviewed these conversion adjustments made by the Holding Company's management. Our conclusion, in so far as it relates to the balances and affairs of these subsidiaries is based on the review report of other auditors and the conversion adjustments prepared by the management of the Holding Company and reviewed by us.

Our conclusion is not modified in respect of these matters with respect to our reliance on the work done by and the reports of the other auditors.




Asian Energy Services Limited (formerly, Asian Oilfield Services Limited)
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7. The Statement also includes the Group's share of net loss after tax of INR 0.61 lakhs and INR 0.61 lakhs and total comprehensive loss of INR 0.61 lakhs and INR 0.61 lakhs for the quarter and nine months period ended 31 December 2022, respectively, as considered in the Statement in respect of one (1) joint venture, based on its interim financial information, which has not been reviewed by its auditors, and has been furnished to us by the Holding Company's management. Our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of this joint venture, is based solely on such unreviewed interim financial information. According to the information and explanations given to us by the management, this interim financial information is not material to the Group.

Our conclusion is not modified in respect of this matter with respect to our reliance on the interim financial information certified by the Holding Company's management.

For **Walker Chandiook & Co LLP**
Chartered Accountants
Firm Registration No: 001076N/N500013



Rakesh R. Agarwal
Partner
Membership No. 109632

UDIN: 23109632BGXDYX5675

Place: Mumbai
Date: 08 February 2023

**Asian Energy Services Limited (formerly, Asian Oilfield Services Limited)
Independent Auditor's Review Report on Consolidated Unaudited Quarterly Financial Results and Year
to Date Results of the Company pursuant to the Regulation 33 of the SEBI (Listing Obligations and
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Annexure 1

List of subsidiaries included in the Statement:

1. Asian Oilfield & Energy Services DMCC
2. AOSL Petroleum Pte Ltd
3. AOSL Energy Services Limited
4. Optimum Oil & Gas Private Limited
5. Cure Multitrade Private Limited (from 03 October 2022)

List of joint ventures included in the Statement:

1. Zuberi – Asian Joint Venture (from 04 May 2022)
2. AESL FFIL Joint Venture (from 20 October 2022)





ASIAN ENERGY SERVICES LIMITED
(FORMERLY, ASIAN OILFIELD SERVICES LIMITED)
Regd. Office: 3B, 3rd Floor, Omkar Esquare, Chunabhatti Signal, Eastern Express Highway, Sion (East), Mumbai
CIN: L23200MH1992PLC318353

STATEMENT OF CONSOLIDATED UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS PERIOD ENDED 31 DECEMBER 2022

Sr. No.	Particulars	(INR in lakhs unless otherwise stated)					
		Quarter ended			Nine months period ended		Year ended
		31 December 2022 (Unaudited)	30 September 2022 (Unaudited)	31 December 2021 (Unaudited)	31 December 2022 (Unaudited)	31 December 2021 (Unaudited)	31 March 2022 (Audited)
1	Income						
	(a) Revenue from operations	2,889.33	2,492.97	6,998.00	8,126.16	19,856.97	26,047.11
	(b) Other income	74.05	68.14	83.14	251.24	230.24	282.84
	Total income (a+b)	2,963.38	2,561.11	7,081.14	8,377.40	20,087.21	26,329.95
2	Expenses						
	(a) Project related expenses	2,124.81	1,777.69	4,739.27	5,949.84	11,677.98	15,254.59
	(b) Employee benefits expense	669.53	916.80	386.35	2,293.42	1,716.22	2,187.15
	(c) Finance costs	106.57	75.98	17.35	205.28	59.84	80.92
	(d) Depreciation and amortisation expense	545.50	592.92	703.40	1,735.62	2,087.25	2,768.81
	(e) Other expenses (Refer note 5)	389.01	523.75	626.92	1,435.92	1,488.83	1,971.41
	Total expenses (a+b+c+d+e)	3,835.42	3,887.14	6,473.29	11,620.08	17,030.12	22,262.88
3	Profit/(loss) before share of profit/ (loss) of joint ventures, exceptional item and tax (1-2)	(872.04)	(1,326.03)	607.85	(3,242.68)	3,057.09	4,067.07
4	Share of profit/ (loss) from joint ventures	31.76	31.51	-	62.61	-	-
5	Profit/(loss) before exceptional item and tax (3+4)	(840.28)	(1,294.52)	607.85	(3,180.07)	3,057.09	4,067.07
6	Exceptional item - loss (Refer note 7)	-	(606.85)	-	(606.85)	-	-
7	Profit/(loss) before tax (5+6)	(840.28)	(1,901.37)	607.85	(3,786.92)	3,057.09	4,067.07
8	Tax expense						
	(a) Current tax :						
	- current period	4.69	-	26.67	4.69	86.67	331.12
	- earlier period	-	-	-	-	(162.08)	(162.08)
	(b) Deferred tax charge/ (credit)	195.91	(13.34)	131.31	(16.92)	147.78	16.92
	Total tax expense (a+b)	200.60	(13.34)	157.98	(12.23)	72.37	185.98
9	Net profit/(loss) after tax for the period (7-8)	(1,040.88)	(1,888.03)	449.87	(3,774.69)	2,984.72	3,881.11
10	Other comprehensive income/ (loss)						
	(a) Items not to be reclassified subsequently to profit or loss (net of tax):						
	- Gain/ (loss) on fair value of defined benefit plans	(8.20)	(8.20)	(0.51)	(24.60)	(1.53)	(32.83)
	- Changes in fair value of investments through other comprehensive income	4.22	9.19	-	23.42	-	-
	(b) Items to be reclassified subsequently to profit or loss:						
	- Exchange differences on translation of financial results of foreign operations	24.29	6.19	(3.30)	135.64	70.70	108.36
	Total other comprehensive income/(loss) for the period, net of tax (a+b)	20.31	7.18	(3.81)	134.46	69.17	75.53
11	Total comprehensive income/(loss) for the period, net of tax (9+10)	(1,020.57)	(1,880.85)	446.06	(3,640.23)	3,053.89	3,956.64
	Net profit/(loss) after tax for the period attributable to:						
	Owners of the Holding Company	(1,047.22)	(1,888.03)	449.87	(3,781.03)	2,984.72	3,881.11
	Non-controlling interest	6.34	-	-	6.34	-	-
	Other comprehensive income/ (loss) for the period attributable to:						
	Owners of the Holding Company	20.31	7.18	(3.81)	134.46	69.17	75.53
	Non-controlling interest	-	-	-	-	-	-
	Total comprehensive income/(loss) for the period attributable to:						
	Owners of the Holding Company	(1,026.91)	(1,880.85)	446.06	(3,646.57)	3,053.89	3,956.64
	Non-controlling interest	6.34	-	-	6.34	-	-
12	Paid up equity share capital (Face value of INR 10 each)	3,769.37	3,769.37	3,799.39	3,769.37	3,799.39	3,769.37
13	Other equity						20,406.90
14	Earnings/ (loss) per share (Face value of INR 10 each)^						
	(a) Basic (in INR)	(2.78)	(5.01)	1.18	(10.03)	7.89	10.25
	(b) Diluted (in INR)	(2.78)	(5.01)	1.18	(10.03)	7.89	10.25
	(^ Quarterly and nine months ended figures are not annualised)						
	See accompanying notes to the consolidated unaudited financial results.						



NOTE 1: CONSOLIDATED STATEMENT OF UNAUDITED SEGMENT INFORMATION FOR THE QUARTER AND NINE MONTHS PERIOD ENDED 31 DECEMBER 2022

Sr. No.	Particulars	(INR in lakhs)					
		Quarter ended			Nine months period ended		Year ended
		31 December 2022	30 September 2022	31 December 2021	31 December 2022	31 December 2021	31 March 2022
I	Segment revenue						
a)	Oil & Gas	1,277.02	1,597.86	5,931.40	4,803.94	16,409.58	18,887.37
b)	Mineral & other energy services	1,612.31	895.11	1,066.60	3,322.22	3,447.39	7,159.74
	Total segment revenue from operations for the period	2,889.33	2,492.97	6,998.00	8,126.16	19,856.97	26,047.11
II	Segment results						
a)	Oil & Gas	14.83	13.40	1,464.70	(59.82)	5,275.97	5,452.08
b)	Mineral & other energy services	243.39	40.61	392.49	462.98	1,319.67	3,295.86
	Total segment results for the period	258.22	54.01	1,857.20	403.16	6,595.64	8,747.94
	Less:- Depreciation and amortisation expense	545.50	592.92	703.40	1,735.62	2,087.25	2,768.81
	Add:- Other income	74.05	68.14	83.14	251.24	230.24	282.84
	Less:- Finance costs	106.57	75.98	17.35	205.28	59.84	80.92
	Less:- Other unallocable expenses	552.24	779.28	611.73	1,938.18	1,621.70	2,113.98
	Profit/(loss) before share of profit/(loss) of a joint venture, exceptional item and tax	(872.04)	(1,326.03)	607.85	(3,224.68)	3,057.09	4,067.07
	Add:- Share of profit/(loss) from joint ventures	31.76	31.51	-	62.61	-	-
	Less:- Exceptional item - loss (Refer note 7)	-	(606.85)	-	(606.85)	-	-
	Profit/(loss) before tax	(840.28)	(1,901.37)	607.85	(3,768.92)	3,057.09	4,067.07

1) The Group is primarily engaged into the business of providing services in energy sector. From the quarter ended 31 March 2022, the Chief Operating Decision Maker (CODM) started measuring the Group's performance indicators by the sectors in which the customers have their presence. Accordingly, information for the quarter and nine months period ended 31 December 2021 and for the year ended 31 March 2022 have been rearranged to conform to current period's reportable segments.

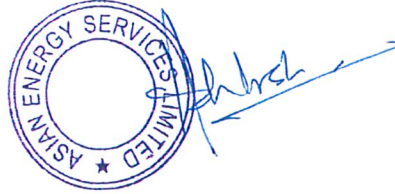
2) The main segments of the Group are:

- Oil & gas - consists of services provided to customers having their presence in oil and gas sector.
- Mineral & other energy sectors - consists of services provided to customers having their presence in coal, power and other energy sectors.

3) The CODM does not review assets and liabilities for each operating segment separately, hence segment disclosures relating to total assets and liabilities have not been furnished.

4) Segment results represents the profit/(loss) before depreciation and amortisation, finance costs and tax expense earned by each segment without allocation of other income and unallocable costs.

5) Employee benefit expenses and other expenses that cannot be allocated between segments are shown as other unallocable expenses.



Notes:

- 2 The above consolidated unaudited financial results for the quarter and nine months period ended 31 December 2022 have been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 ('Ind AS 34') prescribed under Section 133 of the Companies Act, 2013 and other accounting principles generally accepted in India and are in compliance with the presentation and disclosure requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended). These results have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on 08 February 2023. The statutory auditors have carried out a limited review of the above results.
- 3 The above consolidated unaudited financial results includes the financial results of the Holding Company, its subsidiaries viz. Asian Oilfield & Energy Services DMCC ('ADMCC'); AOSL Petroleum Pte. Limited ('APPL'); AOSL Energy Services Limited ('AESL'); Optimum Oil & Gas Private Limited ('OOGPL') and Cure Multitrade Private Limited ('CMPL') (w.e.f. 03 October 2022) (together referred to as 'Group') and its Joint Ventures namely Zuberi - Asian Joint Venture (w.e.f. 04 May 2022) and AESL FFIL Joint Venture (w.e.f. 20 October 2022). ADMCC and APPL are located outside India, whose financial results have been prepared in accordance with accounting principles generally accepted in their respective countries. The Holding Company's management has converted the financial results of ADMCC and APPL from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India.
- 4 The consolidated results and standalone results for the quarter and nine months period ended 31 December 2022 and statutory auditors' review report thereon are available on the Holding Company's website - www.asianenergy.com.
- 5 Other expenses also includes the expenditure incurred towards travel and conveyance, security expenses and legal and professional charges for the projects undertaken by the Group.
- 6(a) ADMCC's customer 'Amni International Petroleum Development OML 52 Company Limited' (AMNI) had issued notice of suspension of work effective 16 November 2020, on account of certain technical challenges faced by AMNI. Accordingly, the suspension had temporarily ceased all the work under the contract from the aforesaid date. Against the said notice from AMNI, ADMCC issued notice of termination vide notice no. 2021-AOS-AMN-P002-0017 dated 3 August 2021 to terminate the contract with immediate effect based on contractual terms. Subsequently, without prejudice, to amicably resolve the matter, ADMCC issued notice to AMNI regarding suspension of the termination till 31 August 2021 (moratorium period) vide notice no. 2021-AOS-AMN-P002-0018 dated 7 August 2021. Such suspension of termination, after multiple extensions was extended till 31 May 2022. During the quarter ended 30 June 2022, ADMCC issued final notice for termination of contract vide notice no. 2022-AOS-AMN-P002-0003 dated 08 June 2022 to AMNI and in turn, AMNI issued acknowledgment letter to accept the termination of contract vide notice no. GMD-A52-AOS-0622-LET-20001 dated 10 June 2022 with immediate effect. Trade receivables (net of impairment allowance of USD 500,000) as at 31 December 2022 includes INR 4,112.63 lakhs (USD 4,967,774) receivable from AMNI. Based on the current stage of discussion with AMNI and considering the contractual right to receive the outstanding amount, ADMCC's management is confident of recovery of these receivables and accordingly believes that no further adjustments are required in consolidated financial results.
- 6(b) There are certain trade payables amounting to INR 3,048.03 lakhs (USD 3,681,815) directly linked to the project executed with AMNI, which are subject to confirmation. As the contract with AMNI is terminated, notice of termination is sent to these vendors as well. ADMCC's management is confident that incremental dues, if any, towards these vendors arising on account of this termination shall not be material and accordingly no further adjustments are required in consolidated financial results.
- 6(c) There are certain items in the property, plant and equipment of ADMCC lying in Nigeria with a carrying value of INR 705.61 lakhs (USD 852,327) whose physical verification could not be carried out owing to the certain challenges faced due to travel and local restrictions. ADMCC's management is confident of the existence and use of these assets and accordingly believes that no adjustments are required in consolidated financial results.
- 6(d) There are certain advances to suppliers (net) lying in the books of ADMCC amounting to INR 225.88 lakhs (USD 272,853) which are subject to confirmation. ADMCC's management is confident of realisability of these advances and accordingly believes that no adjustments are required in consolidated financial results.

7 Exceptional items represents:

Particulars	Quarter ended			Nine months period ended		Year ended
	31 December 2022	30 September 2022	31 December 2021	31 December 2022	31 December 2021	31 March 2022
Impairment of trade receivables on account of termination of contract with a customer	-	392.80	-	392.80	-	-
Impairment of unbilled work in progress (contract assets) on account of termination of contract with a customer	-	59.83	-	59.83	-	-
Impairment of advances to suppliers	-	154.22	-	154.22	-	-
Total	-	606.85	-	606.85	-	-

8 Figures for previous period have been regrouped/rearranged wherever necessary to conform to current period's classification.

For Asian Energy Services Limited (formerly known as Asian Oilfield Services Limited)

Ashutosh Kumar
Whole Time Director and CEO
DIN: 06918508

Place: Mumbai
Date: 08 February 2023

